				UTAH OIL AN	ID GAS CONSE	RVATION C	OMMISSIO	N		
REMARKS:	WELL LOG	ELE	CTRIC LOGS	FILE X	WATER SANDS	LOCAT	TION INSPE		SUB. REPORT/abd.	
98/0	22 BF		T APPAU		21-99'	0011	18 LAI	1 011	11-9-99	
				7-5-	4 //.	1 ////	0 0 .	a) egg	-11-1-11	
· · · · · · · · · · · · · · · · · · ·						***				
DATE FILED	00	TOBER	14, 1997							
LAND: FEE & F	PATENTED	STATE L	EASE NO.		PUBL	IC LEASE NO.			INDIAN #	
DRILLING APPE	ROVED: OC	TOBER	27, 1997	ARD F	LT API	PrU 1	6-20	98	14-20-H62-4737	
SPUDDED IN:										
COMPLETED:			PUT TO PRODUC	ING:						
INITIAL PRODU	JCTION:									
GRAVITY A.P.I.										
GOR:					-					
PRODUCING ZO	ONES:									
TOTAL DEPTH	:									_
WELL ELEVATION	ON:						·	·		
DATE ABANDO	NED:	11-9-1	19 RA'D							
FIELD:	UN	DESIG								
UNIT:										
COUNTY:	DU	CHESNI								
WELL NO.	UT			- D 3	 .		API	NO.	43-013-31960	
LOCATION	752 F		T. FROM (N) (S) LINE,	762 FWL	FΤ.	FROM (E) (W)		NW.	1/4 - 1/4 SEC. 34	
							1 4 44	I A VV		
TWP.	RGE.	SEC.	OPERATOR	· · · · · · · · · · · · · · · · · · ·		TWP.	RGE.	SEC.	OPERATOR	
45	3 W	34	PETROGLYI	PH OPERA	ATING					
	'	' '	1 1 0 0 1 1	I II OI LKA	TING					

Petroglyph Operating Co., Inc. P.O. Box 1839

Hutchinson, KS 67504-1839

October 3, 1997

Utah Division of Oil, Gas, & Mining 1594 West North Temple Box 145801 Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL UTE TRIBAL #34-04-D3
NW/NW, SEC. 34, T4S, R3W
DUCHESNE COUNTY, UTAH
LEASE NO. 14-20-H62-4737
SURFACE OWNER: Orvin J. and
Delphia Moon

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone # (801) 789-4120
Fax # (801) 789-1420

Sincerely,

Ed Trotter

Agent

Petroglyph Operating Co., Inc.

Attachments

/EHT/dmt

DECEIVE
OCT 14 1997
DIV. OF OIL, GAS & MINING

APPROVED BY

SUBMIT IN TRIPLICATE. (Other instructions on UNITED STATES

reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT 14-20-H62-4737 APPLICATION FOR PERMIT TO DRILL OR DEEPEN 6. IF INDIAN, ALLOTTER OR TRIBE NAME 1a. TYPE OF WORK DRILL X DEEPEN [7. UNIT AGREEMENT NAME b. TYPE OF WELL WELL X WELL SINGLE ZONE MULTIPLE OTHER 8. FARM OR LEASE NAME, WELL NO. 2. NAME OF OPERATOR UTE TRIBAL PETROGLYPH OPERATING CO., INC. 9. API WELL NO. 3. ADDRESS AND TELEPHONE NO. #34-04-D3 P.O. BOX 607, ROOSEVELT, UTAH 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) ANTELOPE CREEK FNL & 762' FWL NW/NW 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 232 At proposed prod. zone SEC. 34, T4S,R3W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH | 13. STATE 14.8 MILES SOUTHWEST OF MYTON, UTAH **DUCHESNE** UTAH 15. DISTANCE FROM PROPOSED*

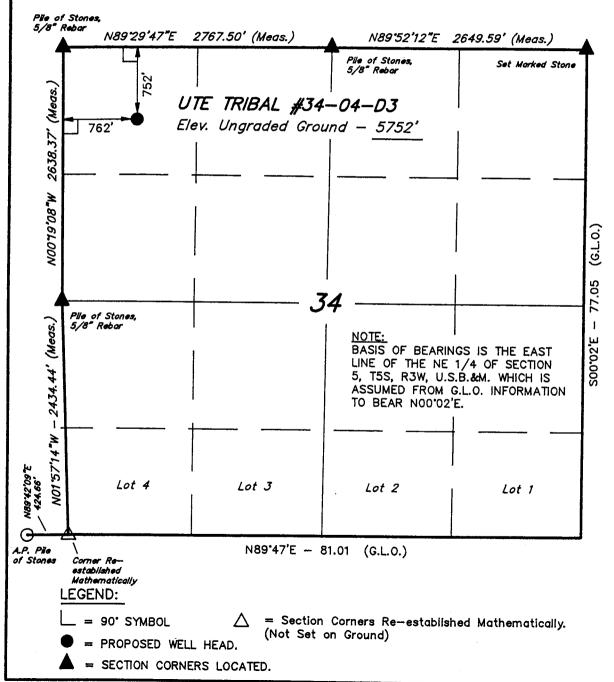
LOCATION TO NEAREST

PROPERTY OR LEASE LINE, F. 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 80 (Also to nearest drig, unit line, if any) 616 18. DISTANCE FROM PROPOSED LOCATION®
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 6238.5 ROTARY 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 5748.5' GRADED GROUND OCTOBER 1997 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12 1/4" 5/8" 24.0# 250' 135 sx class "G" + 2% CaCl2 7/8" 5 1/2" 15.5# 6238.5' 1/4 #/sx celloflake. 50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+10% EXCESS). LIGHT CEMENT (11 PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS CONFIDENTIAL (+5% EXCESS).PETROGLYPH OPERATING COMPANY, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND #4556. Utah Division of Oil, Gas, and Mining Bureau of Indian Affairs, Fort Duchesne, Utah DIV. OF OIL, GAS & MINING IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new prod deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any 24. AGENT FOR PETROGLYPH SIGNED (This space for Federal, or State office use) 43-613-31960 APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

*See Instructions On Reverse Side

T4S, R3W, U.S.B.&M.

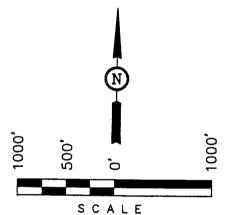


PETROGLYPH OPERATING CO., INC.

Well Location, UTE TRIBAL #34-04-D3, located as shown in NW 1/4 NW 1/4 of Section 34, T4S, R3W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 34, T4S, R3W, U.S.B.&M. TAKEN FROM THE DUCHESNE SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5838 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SHRVETOR REGISTRATION NO. 181319

Revised: 9-11-97 C.B.T.

UINTAH ENGINEERING & LAND. SURVEYING

85 SOUTH 200 EAST - VERNALE OF AN 184078

(801) 789-1017

(901) 108-1011							
1" = 1000'		DATE SURVEYED: 7-7-97	DATE DRAWN: 7-23-97				
PARTY L.D.T. B.H.	C.B.T.	REFERENCES G.L.O. PLA	AT .				
WEATHER	-	FILE					
нот		PETROGLYPH OPE	RATING CO., INC.				

EIGHT POINT PLAN

UTE TRIBAL #34-04-D3 NW/NW, SEC. 34, T4S R3W DUCHESNE COUNTY, UTAH

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH	SUBSEA
Mahogany Shale	3028.5	2730
"X" Marker	4732.5	1026
Douglas Creek	4878.5	880
"B" Limestone	5291.5	467
B/Castle Peak Limestone	5853.5	-95
Basal Carbonate Limestone	6218.5	-460
Total Depth	6238.5	-570
A diri a 1 DTTD	_	

Anticipated BHP 2000 psi

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

Substance	Formation	Depth	Subsea
Oil/Gas	Douglas Creek	4878.5	880
Oil/Gas	B/Castle Peak	5853.5	-95
Other mineral zones	N/A	0000.0	-75

3. PRESSURE CONTROL EQUIPMENT : BOP Schematic Diagram attached.

4. CASING PROGRAM:

						MINIMUM	<u>SAFETY F</u>	<u>ACTOR</u>
HOLE SIZ	E INTERVAL	LENGTH	SIZE W	EIGHT 9	GRADE	COLLAPSE	BURST TH	ENSILE
12 1/4	0' - 250'	250'	8 5/8	24.0 #		1370 PSI		
7 7/8	0' - 6328.5'	6328.51	5 1/2	15.5 #	M-50	3650 PSI		•

All casing will be new or inspected.

EIGHT POINT PLAN

UTE TRIBAL #34-04-D3 NW/NW, SEC. 34, T4S R3W DUCHESNE COUNTY, UTAH

5. MUD PROGRAM

INTERVAL	MUD TYPE
0' - 250'	Air
250' - 4000'	Air/Mist & Aerated Water
4000' - TD	Air/3% KCL water or KCL substitute
TD	Gel/polyacrylamide polymer w/5-10% LCM

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. **VARIANCE REQUESTS:**

A. Petroglyph Operating Co., Inc. requests a variance to regulations requiring a straight run blooie line.

B. Petroglyph Operating Co., Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

7. **EVALUATION PROGRAM**:

Logs: Mud Logging	TD to have after 6
-	T.D. to base of surface csg.
Compensated Density-Compensated Neutron Log	T.D. to base of surface csg.
Dual Laterolog - Micro-SFL	T.D. to base of surface csg.
Numar (Magnetic Resonance Imaging Log)	@ Geologists discretion

Cores: None Programmed DST: None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

EIGHT POINT PLAN

UTE TRIBAL #34-04-D3 NW/NW, SEC. 34, T4S R3W DUCHESNE COUNTY, UTAH

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in associaton with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in associaton with the drilling of this well.

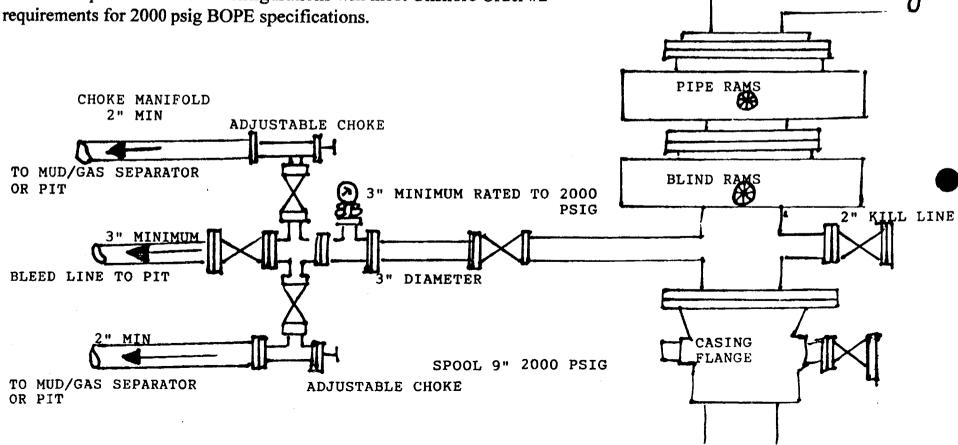
(Attachment: BOP Schematic Diagram)

2000 PSIG DIAGRAM

BOTH RAMS ARE 2000 PSIG RATED. CASING FLANGE IS 9" 2000 PSIG RATED. **BOPE 9" 2000 PSIG**

TESTING PROCEDURE:

- 1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
- 2. Blind & Pipe rams will be tested to rated working pressure, 2000 psig
- 3. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.



ROTATIN

FLOW LINE

HEAD

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator: <u>Petroglyph Operating Company</u> Well Name & Number: <u>UTE TRIBAL #34-04-D3</u>

Lease Number: <u>14-20-H62-4737</u>

Location: 752' FNL & 762' FWL, NW/NW, Sec. 34, T4S, R3W

U.S.B.&M., Duchesne County, Utah Surface Ownership: Orvin J. and Delphia Moon

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice

- at least twenty-four (24) hours prior to spudding the

well.

Casing String and

Cementing

- twenty-four (24) hours prior to running casing and

cementing all casing strings.

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running casing and

tests.

First Production

Notice

- within five (5) business days after new well begins

or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice To Drill and Surface Use Program.

1

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 14.8 miles southwest of Myton, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.1 miles in length. See attached TOPO Map "B"
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Company shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells None
- B. Abandoned wells None
- C. Temporarily abandoned wells None.
- D. Disposal wells None.
- E. Drilling wells None.
- F. Producing wells 2*
- G. Shut in wells None
- H. Injection wells None(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries None
- 2. Production facilities None
- 3. Oil gathering lines None
- 4. Gas gathering lines- None
- 5. Injection lines None

- 6. Disposal lines None
- 7. Surface pits None

B. OFF WELL PAD

- 1. A 4 1/2" OD steel above ground production pipeline will be laid approximately 665' from proposed location to a point in the NW/NW of Section 34, T4S, R3W, where it will tie into Petroglyph Operating Co., Inc.'s existing pipeline. Proposed pipeline crosses privately owned surface, thus a Right-of-Way grant will be required.
- Proposed pipeline will be a 4 1/2" OD steel, welded line laid on the surface.
- 3. Protective measures and devices for livestock and wildlife will be taken and/or installed where required. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery. The production facilities will be placed on the North side of the location.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Target Trucking's Roosevelt Brine Storage and/or Target's water source in SE 1/4, Sec. 1, T 4S, R 5W Duchesne County, Utah (State water right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by Target Trucking.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Private Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Roosevelt sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site.

 Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On Privately owned surface:

The reserve pit will be constructed so as not to leak, break, or allow discharge.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No.7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the South side of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled topsoil will be stored on the West end.

Access to the well pad will be from the East.

N/A Diversion ditch(es) shall be constructed on the
side of the location (above/below) the cut slope, draining to
the
N/A Soil compacted earthen berm(s) shall be placed on the
side(s) of the location between the
N/A The drainage(s) shall be diverted around the sides of the well pad location
N/A The reserve pit and/or pad locations shall be constructed long and
narrow for topographic reasons

X Corners No. 2, 6, & 8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS

All pits will be fenced according to the following minimum standards:

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- C. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for

production facilities/operations will be recontoured to the approximate natural contours.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment.

11	SURFACE OWNERSHIP								
	Access road: Private								
	Location: <u>Private</u>								
12.	Additional Surface Stipulations								
	N/A No construction or drilling activi	N/A No construction or drilling activities shall be conducted between							
		andbecause of							
	N/A No surface occupancy will be allogrouse strutting ground.	wed within 1,000 feet of any sage							
	N/A No construction or exploration activities are permitted within 1.5								
	mile radius of sage grouse strutting grounds from April 1 to June 30.								
	N/A There shall be no surface disturbance within 600 feet of live water								
	(includes stock tanks, springs, and guzzlers).								
	N/A_No cottonwood trees will be removed or damaged.								
	N/A Pond will be constructed according to BLM specifications								
	approximatelyft of the location, as flagged on onsite.								
	or the location, as magged on onsite.								
	LESSEE'S OR OPERATOR'S REPRES	ENTATIVE AND CERTIFICATION							
	PERMITTING	<u>OPERATIONS</u>							
	Ed Trotter	Vince Guinn							
	P.O. Box 1910	P.O. Box 607							
	Vernal UT 84078	Roosevelt, UT 84066							
	Telephone # (801)789-4120	(801) 722-2531							
	Fax # (801) 789-1420	Fax # (801) 722-9145							
		•							

All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to

Lessees. Petroglyph Operating Company is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification:

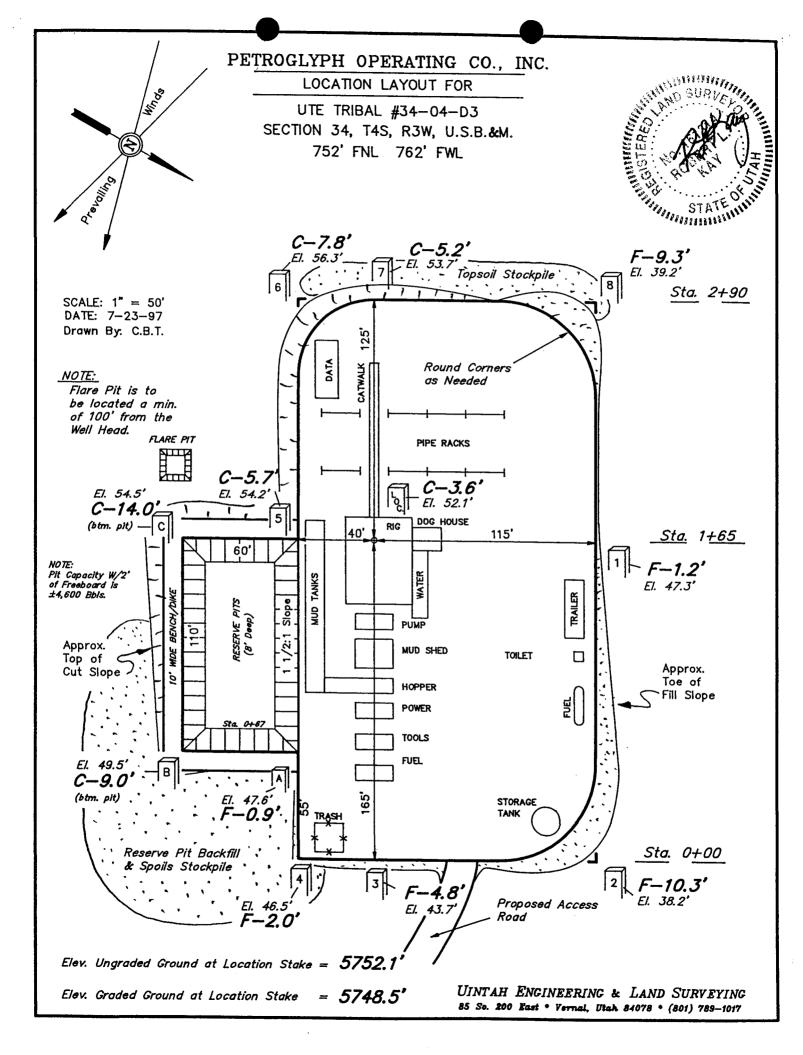
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Company and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

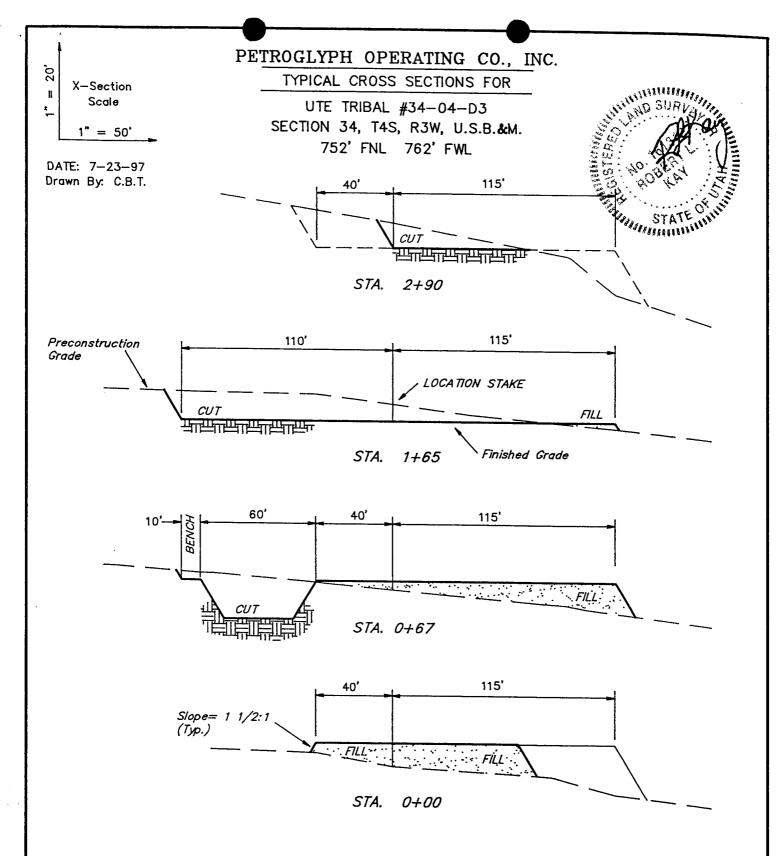
Date

Date

Ed Trotter-Agent-

Petroglyph Operating Company





APPROXIMATE YARDAGES

(6") Topsoil Stripping = 960 Cu. Yds.

Remaining Location = 4,440 Cu. Yds.

TOTAL CUT = 5,400 CU.YDS.

FILL = 3,560 CU.YDS.

EXCESS MATERIAL AFTER

5% COMPACTION = 1,650 Cu. Yds.

Topsoil & Pit Backfill

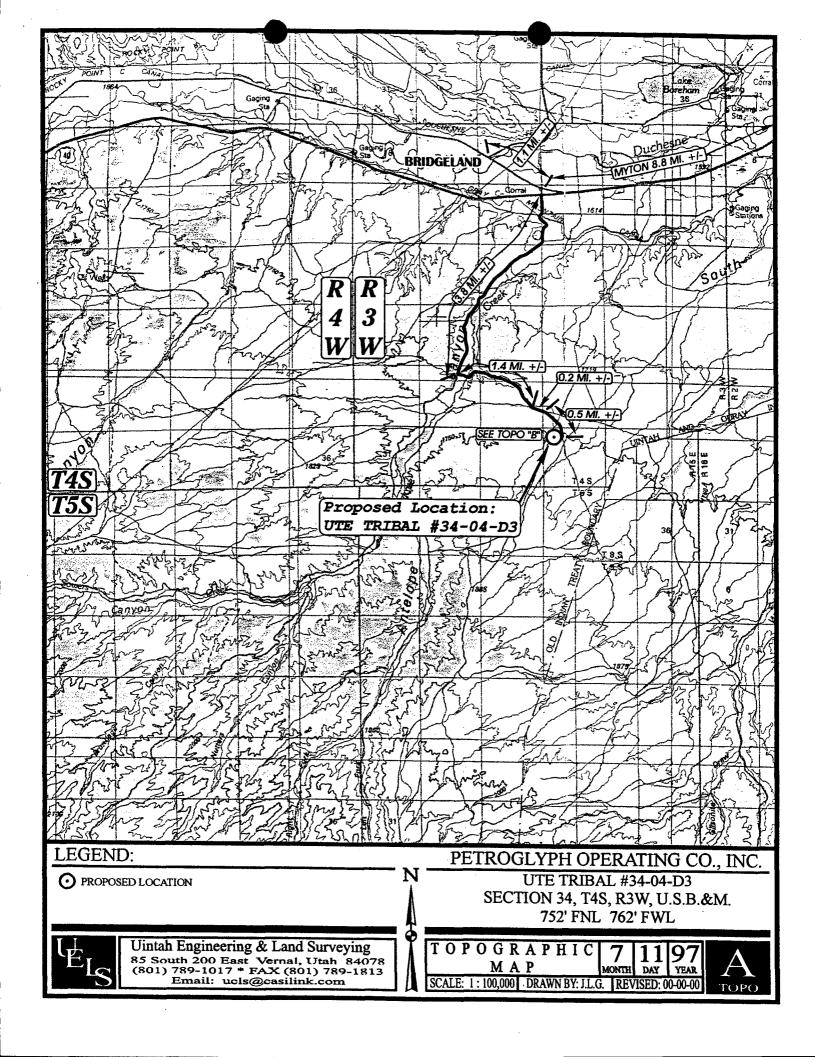
= 1,650 Cu. Yds.

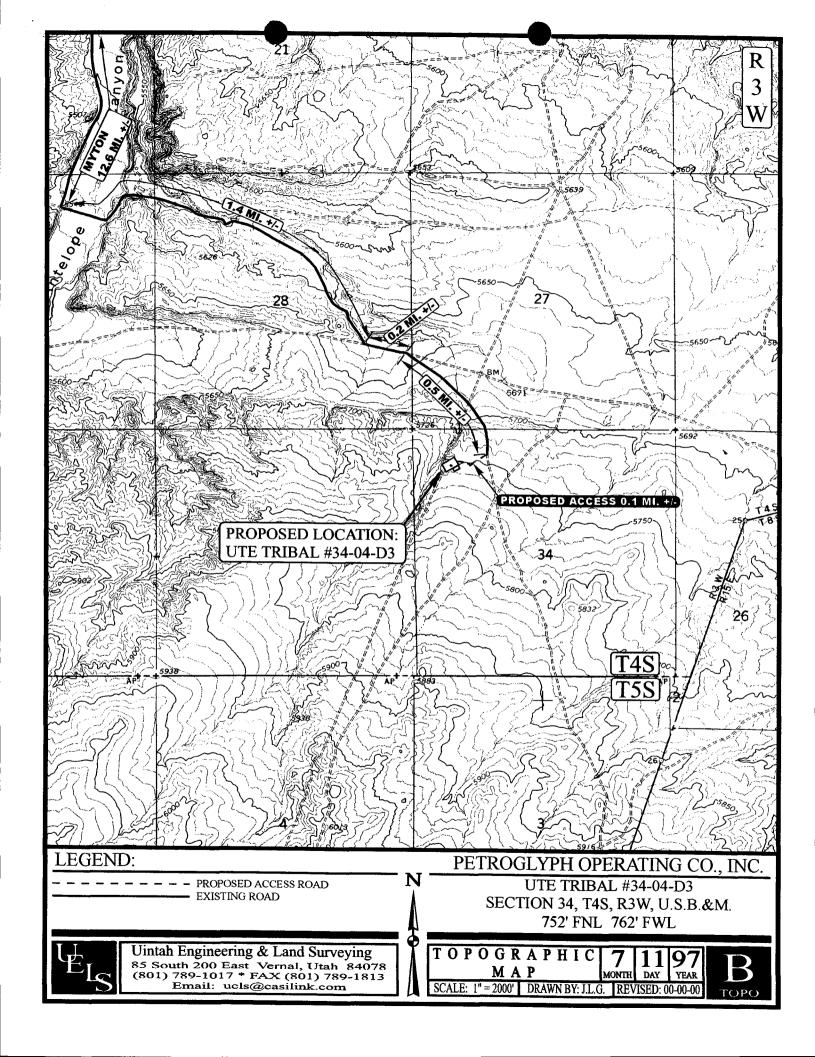
(1/2 Pit Vol.)

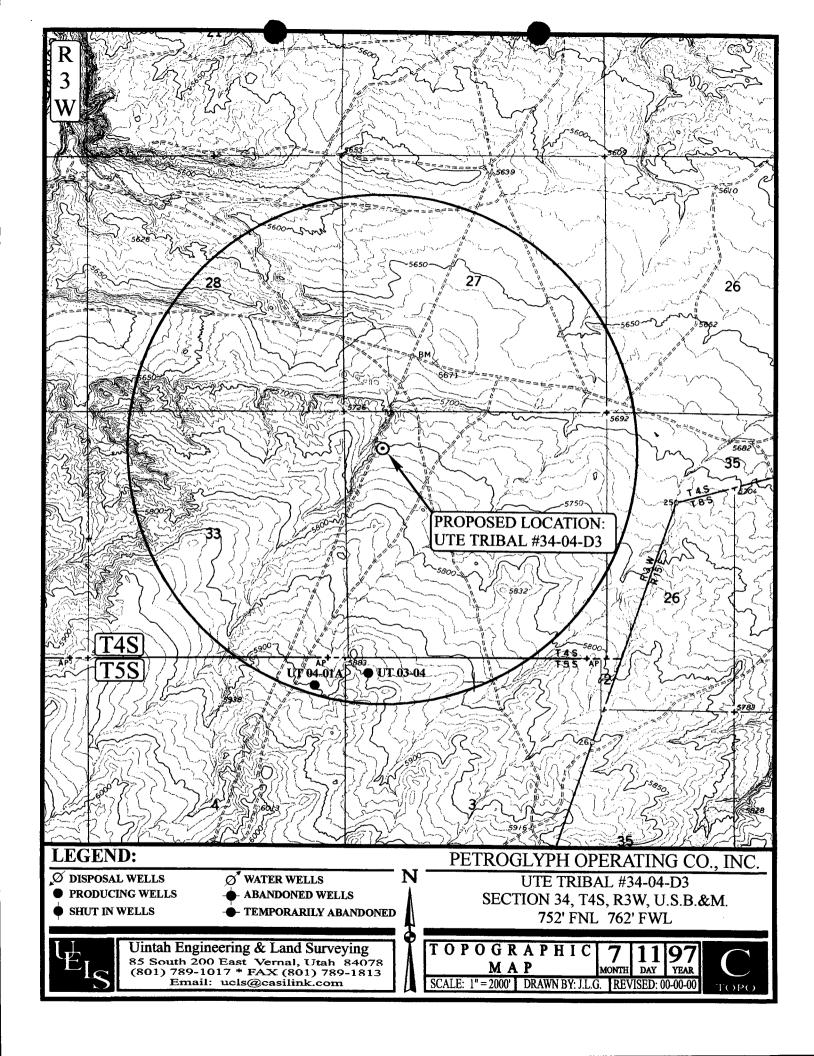
EXCESS UNBALANCE = (After Rehabilitation)

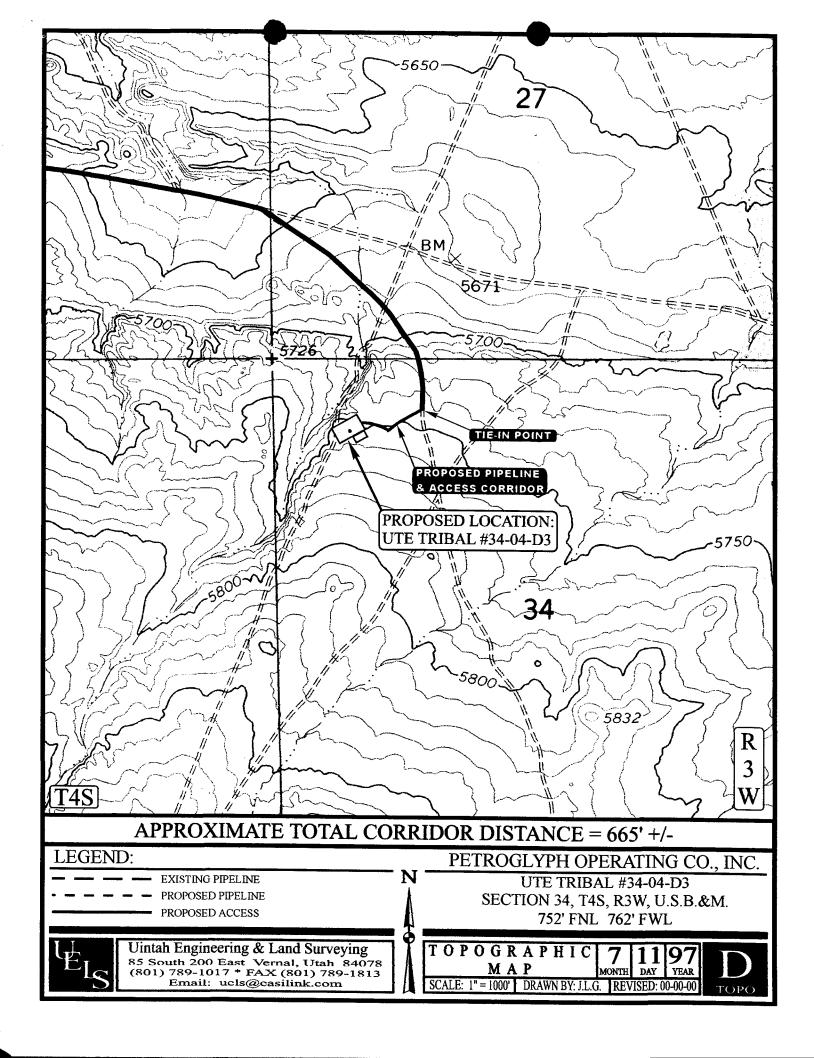
= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING 85 Se. 200 East * Vernal, Utah 84078 * (801) 789-1017









Form 3160-3 (July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN (Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: Pebruary 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN						14-20-H62-4737 6. IF INDIAN, ALLOTTES OR TRIBE NAME		
	ERMIT TO D	RILL	OR DEEP	PEN		6. IF INDIAN, ALLOT	ER OF TRIBE NAME	
DRILL X b. TYPE OF WELL	DEEPEN []			-	7. UNIT AGREEMENT	NAMB .	
OIL GAS WELL OTHER				MULTIPLE		8. FARM OR LEASE NAME.		
2. NAME OF OPERATOR		ZO	NE L	ZONE		UTE TRIBA		
PETROGLYPH OPERATING CO.	, INC.				ŀ	9. AM WELL NO.		
3. ADDRESS AND TELEPHONE NO.						#34-04-D3	3	
P.O. BOX 607, ROOSEVELT	, UTAH 840	066			ŀ	10. FIELD AND POOL	OR WILDCAT	
 LOCATION OF WELL (Report location clearly and At surface 		any St	ate requirements	3.4)		ANTELOPE		
752' FNL & 762' FV	VL NW/NW					11. SEC., T., R., M., O AND SURVEY OR	R BLK.	
At proposed prod. zone								
4. DISTANCE IN MILES AND DIRECTION FROM NEAR	PER TOURN OR TORE					SEC. 34,		
			•			12. COUNTY OR PARIS	•	
14.8 MILES SOUTHWEST OF			OF ACRES IN LE	100	17 10 0	DUCHESNE	UTAH	
LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to pearest delegant line, 15 and		61				IS WELL 80		
(Also to nearest drig. unit line, if any) 8. DISTANCE FROM PROPOSED LOCATION*			POSED DEPTH		20			
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	1		38.5	1		TOR CABLE TOOLS		
21. ELEVATIONS (Show whether DF, RT, GR, etc.)			30.3			22. APPROX. DATE	PORE WILL	
5748.5' GRADED GROUND						OCTOBER 1		
3.	PROPOSED CASIN	CAND	CENENTALO		-	1		
SIZE OF HOLE GRADE SIZE OF CASING	1							
12 1/4" 8 5/8"	24.0#		SETTING DEPT		125	QUANTITY OF CEM		
7 7/8" 5 1/2"	15.5#	-	250' 6238.5'				" + 2% CaC	
3 1/2	13.5#		0230.3			#/sx cell	<u>0flake.</u> 2% GEL + 1(
							OVE ALL ZON	
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	MENT					CEMENT (1		
` `	LAMINI						VE OIL SHAI	
	· M				OR FR	ESH WATER	INTERVALS	
					(+5%	EXCESS).		
PETROGLYPH OPERATING COM	PANY, INC.	WI	LL BE THI	E DES	IGNAT	ED	•	
OPERATOR OF THE SUBJECT	WELL UNDER	R BOI	ND #4556.	•		THOFF	NED.	
pc: Utah Division of Oi	1, Gas, an	nd M	ining			00T 8 9	1997	
Bureau of Indian Af	fairs, For	t Di	uchesne,	Utah		_		
						-		
ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IC	proposal is to dance							
ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If sepen directionally, give pertinent data on subsurface location	as and measured and true	e vertical	on present productive depths. Give blowe	ve zone and out prevente	i proposed i r program, il	new productive zone - 11 Eany.	proposal is to drill or	
BIGNED Tally rotte	7171	, AG	ENT FOR I	PETRO	GLYPH	10	3-97	
(This space for Federal or State office use)						DATE 15		
A DAD A DAD A DAD A	MAL				CONDU	FIOLD OF ARTIC		
PERMIT NO. 140/164 ST MET TO			PPROVAL DATE			TO OPERATOR	13 COP #	
Application approval does not warrant or certify that the app	olicant holds legal or equi	itable title	to those rights in the	c subject lea	sc which wo	uld entitle the applicant to	conduct operations thereo	
CONDITIONS OF APPROVAL, IP ANY:	·		Ü	•		•••	•	
11 000//		والمراجع المراجع	astsin Fleid W	lonauer		_		
APPROVED BY HOURS (CALY)	MILE _		ineral Rescu			OCT	2.4 1997	

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/14/97	API NO. ASSIGNED: 43-013-31960
WELL NAME: UTE TRIBAL 34-4-D3 OPERATOR: PETROGLYPH OPERATING	(N3800)
PROPOSED LOCATION: NWNW 34 - T04S - R03W SURFACE: 0752-FNL-0762-FWL BOTTOM: 0752-FNL-0762-FWL DUCHESNE COUNTY UNDESIGNATED FIELD (002) LEASE TYPE: IND LEASE NUMBER: 14-20-H62-4737 PROPOSED PRODUCING FORMATION: GRV	INSPECT LOCATION BY: / / TECH REVIEW Initials Date Engineering Geology Surface
RECEIVED AND/OR REVIEWED: Plat Bond: Federal [V State[] Fee[] (Number 4566) Potash (Y/N) N Oil shale (Y/N) Water permit (Number 43-/0/52 RDCC Review (Y/N) (Date:)	LOCATION AND SITING: R649-2-3. Unit: R649-3-2. General. R649-3-3. Exception. Drilling Unit. Board Cause no: Date:
COMMENTS:	
STIPULATIONS:	

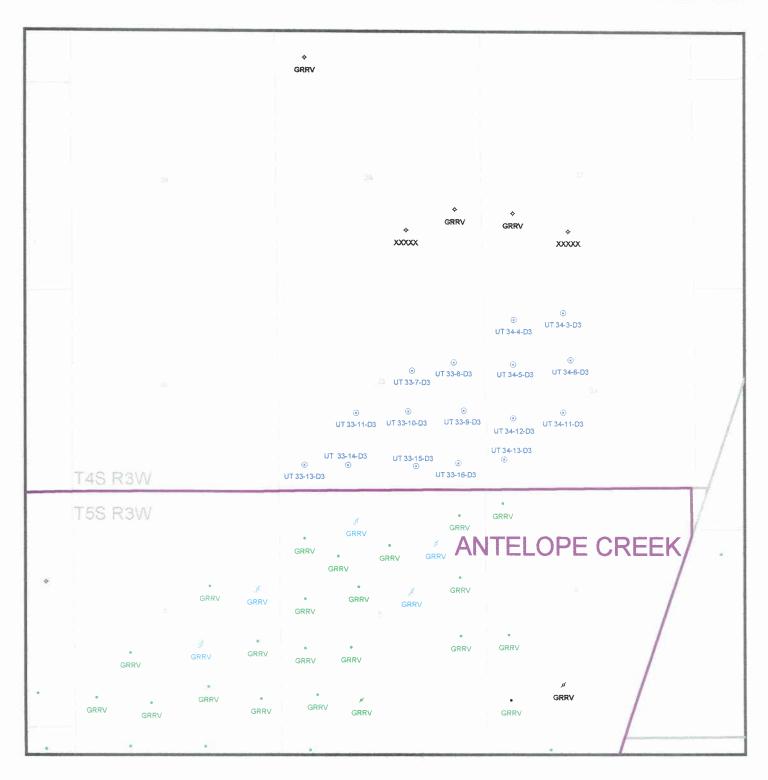


OPERATOR: PETROGLYPH OPERATING (N3800)

FIELD: UNDESIGNATED (002)

SEC. TWP, RNG: 33 & 34, T4S, R3W

COUNTY: DUCHESNE UAC: R649-2-3 & R649-3-3



Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM AF	PRO	OVED
Budget Bureau	No.	1004-0135

Expires March 31, 1993

DEFARM		Expires infalcit 51, 1895		
BUREAU	5. Lease Designation and Serial No.			
	14-20-H62-4737			
SUNDRY NOTIC	6. If Indian, Allottee or Tribe Name			
Do not use this form for proposals to drill or to d	Ute Indian Tribe			
Use "APPLICATION FOR PER	RMIT" for such proposals			
SÜB	MIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation		
1. Type of Well	CUNFIDENTIAL			
Oil Gas Other	OOM INTIME	8. Well Name and No.		
2. Name of Operator		Ute Tribal 34-04D3		
Petroglyph Operating Company, Inc.		9. API Well No.		
3. Address and Telephone No.		43-013-31960		
P.O. Box 607, Roosevelt, UT 84066	(435) 722-2531	10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., or Survey Description)		Antelope Creek		
752' FNL 762' FWL		11. County or Parish, State		
NWNW Sec. 34-T4S-R3W		Duchesne County, UT		
12. CHECK APPROPRIATE BO	X(s) TO INDICATE NATURE OF NOTICE, RE	PORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	Abandonment	Change of Plans		
	Recompletion	New Construction		
Subsequent Report	Plugging Back	Non-Routine Fracturing		
	Casing Repair	Water Shut-Off		
Final Abandonment Notice	Altering Casing	Conversion to Injection		
•	Other HPD ON ONOUGH	Dispose Water		
		(Note: Report results of multiple completion on Well		
		Completion or Recompletion Report and Log form.)		
	ertinent details, and give pertinent dates, including estimated date of	starting any proposed work. If well is directionally drilled,		
give subsurface locations and measured and true vertical de	opths for all markers and zones pertinent to this work.)*			
Potroglyph Operating Company Inc. r	equests permission to extend the APD dea	adline on the above		
referenced well.	equests permission to extend the AFD dea	diffe of the above		
referenced wen.				
First page of APD is attached.				
. •		िशाराशाचा		
Approved by the	COPY SENT TO OPERATOR			
Utah Division of	Indials: CHO			
Oil, Gas and Mining	\/\ oct	2 1 1998 //		
Date: 10/22/98 111	[]()\[001			
Date. 101				
By: Treatles (d)	- I DIV. OF OIL	, GAS & MINING		
= < 51				
14. I hereby certify that the foregoing is true and correct?				
Signed 10 A Ma Bell	Title Operations Coordinator	Date 9/29/98		
(This space for Federal or State official use)				
Approved by	Title	Date		
Conditions of Approval, if any:				
Conditions of Approval, II ally.				
Title 18 U.S.C. Section 1001, makes it a crime for any person knowl	ngly and willfully to make to any department or agency of the United S	tates any false, fictitious or fraudulent statements		

or representations as to any matter in its jurisdiction.

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director 801-538-7223 (TDD)

1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax)

October 27, 1997

Petroglyph Operating Company, Inc. P.O. Box 607 Roosevelt, Utah 84066

Ute Tribal 34-04-D3 Well, 752' FNL, 762' FWL, NW NW, Re: Sec. 34, T. 4 S., R. 3 W., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. API identification number assigned to this well is 43-013-31960.

Sincerely,

Jóhn R. Baza

Associate Director

lwp

Enclosures

Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator:		Petro	arabu	<u>Operati</u>	ng Com	pany,	inc.
Well Name & N	umber: _	Ute T	ribal	34-04-D)3		
API Number:	*	43-01	3-3196	0		· ·	
Lease:		14-20	<u>-H62-4</u>	737			•
Location:	NW NW	Sec.	34	T.	4 S.	R.	3 W.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES DEPARTMENT OF THE INTERIOR

(Other instruments on reverse stee.

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

BUREAU OF LAND MANAGEMENT						14-20-H62-4737	
APPLICATION FOR PERMIT TO DRILL OR DEEPEN						6. IF INDIAN, ALLOTTEN	OR TRIBE NAME
	LX	DEEPEN []			7. UNIT AGREEMENT N	AMB
b. TYPE OF WELL OIL							
PETROGLYPH (PERATING CO.	, INC.		<u> </u>		9. AFI WELLING. #34-04-D3	
P.O. BOX 60	7, ROOSEVELT,	O	1066			10. FIELD AND POOL, O	
L LOCATION OF WELL (Re At surface 752 1 1	port location clearly and FNL & 762' FW		th any St	ate requirements.*)	;	ANTELOPE C 11. SEC., T., R., M., OR I AND SURVEY OR AS	BLK.
At proposed prod. sone						SEC. 34, 1	
4. DISTANCE IN MILES A	·					12. COUNTY OR PARISH DUCHESNE	UTAH
	SOUTHWEST OF	MYTON,	UTAH	OF ACRES IN LEASE	1 17. NO.	OF ACRES ASSIGNED	1 0 3 3 3 3
15. DISTANCE FROM PROPU LOCATION TO NEAREST PROPERTY OR LEASE L (Also to nearest drig	INE, FT unit line, if any, 752	; ' <u>+</u>	61	.6	TOT	TARY OR CABLE TOOLS	
18. DISTANCE FROM PROP TO NEAREST WELL, DI OR APPLIED FOR, ON THI	RILLING, COMPLETED.		1	OPOSED DEPTH	1	TARY	
21. ELEVATIONS (Show who	ther DF, RT, GR, etc.)		1 0.			OCTOBER 1	
23.	DED CROOMS	PROPOSED CAS	ING ANI	CEMENTING PROGRA	M		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER	FOOT	SETTING DEPTH		QUANTITY OF CEME	
12 1/4"	8 5/8"	24.0#		250 '		sx class "G" + 2%	
7 7/8"	5 1/2"	15.5#		6238.51		4 #/sx cello 0 POZMIX + 2	
		DIV. OF 0		S & MINING	LCM OR F (+5%	T CEMENT (11) TO 200' ABOVE TESH WATER 13 EXCESS).	VE OIL SHA
PETROGLYPH OPERATOR OF	OPERATING CONTINUE THE SUBJECT	MPANY, IN WELL UND	C. W	ILL BE THE DI OND #4556.	ESIGNA	ATED	
pc: Utah D Bureau	vivision of 0: of Indian A	il, Gas, ffairs, F	and ort	Mining Duchesne, Uta	ah	RECE	EIVED
						OCT 0	9 1997
IN ABOVE SPACE DESCRI deepen directionally, give per	SE PROPOSED PROGRAM: tinest data on subsurface locat	If proposal is to deeps ions and measured an	en, give da id true vert	ta on present productive zon ical depths. Give blowout prev	e and propor	sed new productive zone. It m, if any.	f proposal is to drill or
SIGNED Jale	potte		TITLE A	GENT FOR PET	ROGLY	PH DATE 10	3-97
	TICE OF APPE	the second secon		APPROVAL DATE		OTTO CF APTO TO OPERATOR	
Application approval doc	s not warrant or certify that the	applicant holds legal of	1	side to those rights in the subjective in the su	jer		2 4 1997
Title 18 U.S.C. Secti	on 1001, makes it a cr			os On Reverse Side vingly and willfully to executations as to any	make to a	any department or age	ency of the



RECEIVED

SEP 1 0 1997

UINTAH AND OURAY AGENCY

P.O. Box 190 Fort Duchesne, Utah 84026



to:

Howard Cleavinger, BLM-District Office

from:

Joyleen W. Grant W

subject: Petroglyph Operating Company

date:

September 4, 1997

Locations: Township 5 South, Range 3 West, USB&M

Ute Tribal #33-16 D3 Ute Tribal #33-07 D3 Ute Tribal #33-08 D3 Ute Tribal #34-03 D3 Ute Tribal #34-04 D3 Ute Tribal #33-09 D3 Ute Tribal #34-05 D3 Ute Tribal #33-10 D3 Ute Tribal #34-06 D3 Ute Tribal #33-11 D3 Ute Tribal #34-11 D3 Ute Tribal #33-13 D3 Ute Tribal #34-12 D3 Ute Tribal #33-14 D3 Ute Tribal #33-15 D3 Ute Tribal #34-13 D3

The Bureau of Indian Affairs, and the Ute Indian Tribe completed the onsite Environmental Assessments on the above wells. These wells are located on fee surface and tribal minerals. These EA's address the environmental impacts of the projects and recommend the approval of the Application for Permit to Drill, and the approval of the corridor right-of-ways.

An independent archaeologist conducted block cultural surveys for Sections 34 & 33. The cultural resources will not be impacted by construction activities provided it is maintained within the presently staked areas.

During July 28, 1997 an on-site inspection was conducted with the following persons in attendance: Ed Trotter, agent for Petroglyph Operating Co.; Greg Darlington of The Bureau Of Land Management, Vernal District; Dale Hanberg of the Bureau of Indian Affairs; Lonnie Nephi, Tribal Technician; and Steve Wall of Petroglyph Operating Co.

cc: Bureau of Indians Affairs Fort Duchesne, Utah

cc: UIT Energy & Minerals
Ed Trotter, Agent for Petroglyph

SITE SPECIFIC ENVIRONMENTAL ASSESSMENT

OCT 0 9 1997

1.0 PROPOSED ACTION

Petroglyph Operating Co., Inc. is proposing to drill oil well #34-04-D3, and construct pipelines, and an access road on fee property having mineral rights owned by the Ute Indian Tribe. This environmental assessment is tier off from the Duchesne River Area Environmental Assessment No.3 prepared by Minerals Management Service dated April 1982.

2.0 ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 PERMITTEE/LOCATION

- A. Permittee- Petroglyph Operating Co., Inc.
- B. Date 7-28-97
- C. Well number- 34-04-D3
- D. Right-of-way- Access road & pipeline R\W approx. 665 feet.
- E. Site location- NWNW, Section 34, T4S, R3W, USB&M.

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 5752
- 2. Annual precipitation (inches) 10-12
- 3. Topography- rolling hills
- 4. Soil- The soil texture is (0 to 6") loam

B. VEGETATION

- Habitat type is upland shrub.
- 2. Percent Ground Cover- estimated to be 30%.
- 3. Vegetation consists of approximately 35% grasses, 60% shrubs, 5% forbs. The main variety of grasses are squirrel tail, Indian ricegrass, poa, needle & thread, galleta, and blue grama. Forbs are astragalus, mustard, lambs quarter, globemallow, buck wheat, flox, daisy, Indian paint brush, & annuals. Shrubs consist of black sagebrush, fring sage, bud sage, prickly pear, winterfat, shadscale, snakeweed, greasewood, rabbit

brush, spiny horsebrush.

- 4. Observed Threatened & Endangered species: None.
- 5. Potential For Threatened & Endangered species: Slight
- 7. Observed Noxious Weeds: None

8. AFFECTED ENVIRONMENTAL

1. There are no surface damages as a result of the initial survey.

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

- 1. Big Game-The area is used throughout the year by mule deer, elk, and antelope. (elk & mule deer use this area most during winter months.)
- 2. Small Game-The area is used by cottontail rabbit.
- 3. Raptor- Various species of raptors use this area for habitat. Raptors which are observed using the area are Golden eagles, Redtail hawk, & Kestrel. Ferruginous hawk hunt in the area and there is an active nest located approximately 4.0 miles south of the site in Section 20, T5S, R3W, USB&M.
- 5. Non-Game Wildlife- Animal species which have been observed using this area are black tail jack rabbit, coyote, fox, badger, and various species of reptiles, and song birds.
- 6. Threatened & Endangered Species: No T&E species are reported using the area of this project.

4.2 PRESENT SITE USE

A. USAGE

	<u>acres</u>
Rangeland	2.36
Irrigable land	0
Woodland	0
Non-Irrigable land	2.36
Commercial timber	0
Floodplain	0
Wetland	0
Riparian	0
Other:	0

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

Cultural Resource Surveys were performed by James A. Truesdale, an Independent Archaeologist. No archaeological sites were found within the project area.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

		<u>acres</u>
1.	Access road	0.00
2.	Well site	1.43
3.	Pipeline right-of-way	0.00
4.	Corridor right-of-way	0.92
5.	Total area disturbed	2.36

B. VEGETATION/LANDSCAPE

- 1. Production loss (AUM's)/year: 0.16
- 2. Permanent scar on landscape: Yes x No
- 3. Potential impacts to Threatened & Endangered species:
 Yes
 No X

C. SOIL/RANGE/WATERSHED

There will be an increase in soil erosion from wind and water. There will not be any point source of water pollution.

There are no wetlands or riparian areas which will be affected by this project.

The area is presently used as rangeland. This project will reduce livestock grazing by approximately 0.16 AUM/year. The land surface is in fee ownership. It is grazed by sheep and cattle. Dust from welsite construction and travel along access roads may cause dust to settle on vegetation. The dust collecting on plant surfaces may adversly affect the grazing of the area adjacent to the access roads by livestock and wildlife.

Because of additional oilfield activity there will be a increase in traffic using the area. The increased traffic may disturb livestock or result in larger numbers of livestock injury or death from vehicule accidents.

The area is not used as irrigated cropland and a water right has not been designated for the area.

Reserve pits will be constructed on each wellsite. These pits contain bentonite clay, barite, cellulose, well cuttings, by-products from hydrocarbons, and other additives which have been approved by the Environmental

Protection Agency for drilling oil & gas wells. Within 90 days after the completion of the well the reserve pits are normally filled in and contoured to blend into the approximate elevation of the soil surface.

Small disposal pits may also be used after the well starts into production. These pits may be used to dispose of up to 5.0 barrels of produced water per day. Produced water contains high concentrations of salt, hydrocarbons, etc. Also trash and other foreign material may be disposed of in these pits.

Construction of the wellsite and access roads and pipelines often require deep cuts and fills, and often large amounts of rocks are exposed to the soil surface. When the wellsite is re-contoured and rehabilitated and revegetated, there will normally be a scar left on the soil surface which can may be visible to people using the area.

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

There will be a small reduction of wildlife habitat and grazing for livestock. There will also be an increase in wildlife disturbance and poaching resulting from the additional traffic and people using the area.

There are no known impacts to Threatened or Endangered species but is important habitat for the Ferruginous hawk. The area is important winter range for big game.

Ferruginous Hawks use this area for nesting and hunting. There is an nest in Section 20.

6.0 MITIGATION STIPULATIONS

Because the area is owned by a private individual the company will comply with the private land owners request on all mitigative measures.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

- B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.
 - Short Term: (Estimated 20 years) A total loss of production on the land and the associated

environmental impacts will continue to influence the surrounding area for the productive life of the well.

2. Long Term: Standard policies provide for rehabilitation of wellsite and rights-of-ways. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 8-20-97, the proposed location in the following areas of environmental impacts has been cleared:

X Yes No	Listed Threatened & Endangered species
X Yes No	Critical wildlife habitat
X Yes No	Historical and cultural resources
X Yes No	Floodplain
X Yes No	Wetlands

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

APPROVAL/DISAPPROVAL A.

We recommend approval of the proposed action as outlined in item 1.0 above.

Representative - BIA Land

Operations, Uintah and Ourak

Agency

12.0 DECLARATION

APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

Suberintendent,

Uintah and Ouray Agency

14.0 CONSULTATION

REPRESENTATIVES/ORGANIZATION

Dale Hanberg- BIA Ed Trotter-Petroglyphs Lonnie Nephi-UTEM Greg Darlington-BLM

B:\EAPetM40.D3

COAs Page 1 of <u>8</u>
Well No.: Ute Tribal 34-04-D3

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company Inc.		
Well Name & Number: <u>Ute Tribal 34-04-D3</u>	-	
API Number: <u>43-013-31960</u>	_	
Lease Number: <u>14-20-H62-4737</u>	_	
Location: NWNW Sec. 34 T.4S R.3W_		

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COAs Page 8 of 8 Well No.: Ute Tribal 34-04-D3

SURFACE CONDITIONS OF APPROVAL

The Bureau of Indian Affairs Site Specific Environmental Analysis states that:

"The area is owned by a private individual. Petroglyph will comply with the private landowner's request on all mitigative measures."

(Orvin J. and Delphia N. Moon)---Wellpad and the new access road

The following general stipulation also should have been included in the APD, but wasn't:

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

COAs Page 1 of <u>8</u>
Well No.: Ute Tribal 34-04-D3

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operate	or: Petroglyph Operating Company Inc.
Well Name & Nur	nber: Ute Tribal 34-04-D3
API Number:	43-013-31960
Lease Number:	14-20-H62-4737
Location: NWNV	V_ Sec. <u>34</u> T. <u>4S</u> R. <u>3W</u>

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COAs Page 2 of 8 Well No.: Ute Tribal 34-04-D3

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are</u> Expected to be Encountered

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. <u>Pressure Control Equipment</u>

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

COAs Page 3 of <u>8</u> Well No.: Ute Tribal 34-04-D3

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 263 ft. or by setting surface casing to 300 ft. and having a cement top for the production casing at least 200 ft. above shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

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Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

<u>Immediate Report</u>: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for poduction, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

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No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshor. Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

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If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077 Petroleum Engineer

Wayne P. Bankert (801) 789-4170 Petroleum Engineer

Jerry Kenczka (801) 781-1190 Petroleum Engineer

BLM FAX Machine (801) 781-4410

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EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

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SURFACE CONDITIONS OF APPROVAL

The Bureau of Indian Affairs Site Specific Environmental Analysis states that:

"The area is owned by a private individual. Petroglyph will comply with the private landowner's request on all mitigative measures."

(Orvin J. and Delphia N. Moon)---Wellpad and the new access road

The following general stipulation also should have been included in the APD, but wasn't:

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, Utah 84078-2799 http://www.blm/gov/utah/vernal

Phone: (435) 781-4400 Fax: (435) 781-4410

IN REPLY REFER TO: 3160 LJT08300

November 8, 1999

Petroglyph Operating Co., Inc. P. O. Box 607 Roosevelt, Utah 84066

Re:

Notification of Expiration Well No. Ute Tribal 34-04D3 NWNW, Section 34, T4S, R3W Lease No. 14-20-H62-4737 Duchesne County, Utah

Gentlemen:

43-013-31960

The Application for Permit to Drill the above-referenced well was approved on October 24, 1997. Petroglyph Operating Company, Inc. requested an extension of the original APD approval for an additional year. The request was reviewed and the extension approved until October 24, 1999. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann

Legal Instruments Examiner

cc: State Div. OG&M

DATE DIV. OF OIL, GAS & MINING

e Herrmann

Humpback 8-25-8-17 letter being done 25-8S-17E 43-047-32767 Petroglyph Operating expired 2/16/99 Ute Tribal 3-7 3-5S-3W 43-013-31788 Petroglyph Operating expires 3/10/99 Ute Tribal 16-5 16-5S-3W 43-013-31790 Petroglyph Operating expires 8/19/99 Ute Tribal 30-4 30-5S-3W 43-013-31906 Petroglyph Operating expires 10/24/99 Ute Tribal 33-7-D3 33-4S-3W 43-013-31955 Petroglyph Operating expires 10/24/99 Ute Tribal 34-3-D3 34-4S-3W 43-013-31959 Petroglyph Operating expires 10/24/99 Ute Tribal 34-4-D3 34-4S-3W 43-013-31960 Petroglyph Operating expires 10/21/99 Ute Tribal 34-6-D3 34-4S-3W 43-013-31961 Petroglyph Operating expires 10/21/99 Ute Tribal 34-11-D3 34-4S-3W 43-013-31962 Petroglyph Operating expires 10/21/99 Ute Tribal 34-13-D3 34-4S-3W 43-013-31963 Petroglyph Operating expires 11/2/99 Ute Tribal 30-3 30-5S-3W 43-013-31969 Petroglyph Operating expired 2/10/99 Ute Tribal 7-2 letter being done APD Approval
Extensions

per Hermann

margie Hermann

- BLM Vernal

- email 3/4/99

email 3/4/99